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NOTE FOR:	The Director		
THROUGH:	Dave Gries	2 OCT 1986	STAT
FROM:			STAT

The article today in the $\underline{\text{New York Times}}$ on the Intelligence Authorization bill may have created some confusion as to the status of the Helms amendments. Here are the facts as we understand them:

SUBJECT: Helms Amendments

As you know, Helms offered and the Senate accepted two amendments last week. The first amendment modified the classified annex to the SSCI report on the Intelligence Authorization Bill to request that the Intelligence Community submit additional reports. The second amendment required the Agency to report to the HPSCI and SSCI on human rights violations by the Government of Panama and the extent of that government's involvement with drug trafficking, arms trafficking, money laundering or the death of Hugo Spadafora.

In Tuesday's House/Senate Conference on the Authorization Bill, the Helms amendment with respect to Panama was deleted because SSCI has already requested a report on Panama in the SSCI classified annex, as amended by Helms. His amendment with respect to the classified annex was also deleted because the amendment was considered by the Conferees to be "a Senate request for a report from the Director."

The deletion of the amendments from the Conference bill does not change the fact that the classified annex to the Senate's report on the Senate Intelligence Authorization bill has been amended to incorporate the Helms material. The report does not have the force and effect of law. However, we normally comply with requests contained in the annex.

One other area of possible confusion is that Helms, on the floor of the Senate, stated that the amended annex required the Agency to study and report on 32 items under competitive analysis procedures. Helms' statement was inaccurate. The classified annex only requires the Agency to report on incorporation of competitive analysis on the 8 items you have already seen. It is understood at SSCI that a letter from you stating that we favor and use competitive analysis will constitute compliance.

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